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2 December 1955

MEMORANDUM FOR: Project Director

THROUGH : Office of the General Counsel

SUBJECT : 10 (b) Certification Pertaining to Sub-Project

REFERENCES : a. Exhibit "A" (Attached).  
b. 10 (b) Certification dated 28 November 1955 (Attached).

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1. In accordance with your request, there are forwarded herewith referenced documents for your information and appropriate disposition and certification by the DCI on reference b.

2. Exhibit "A" (reference a.) shows the financial status of the West Coast activities. It will be noted that the top portion of this exhibit follows the 1956 fiscal year budget with the exception that we have further attempted to break the budget down into categories of camp maintenance (column 1), camp operations (column 2) and other (column 3). The column 4 is the exact amount budgeted for the facility being discussed. The lower portion of Exhibit "A" deals with obligations to date and the projected figures show an actual need for a 10 (b) in the amount of \$1,000,000.00. Your attention is specifically invited to the footnote on Exhibit "A" showing that we have obligated \$257,000.00 for construction, which was not budgeted for during 1956 fiscal year, but was actually a necessary item of expense because of factors with which you are thoroughly familiar. This construction figure, when added to our original concepts of operation and maintenance (\$740,000.00), would necessitate a 10 (b) slightly in excess of the \$1,000,000.00 requested in reference b. (attached).

3. The only possibility seen at present for obtaining additional funds for Test Site operation is by employing the amount shown for "Other" West Coast activities (column 3 of Exhibit "A") in the total amount of \$533,279.00. From this amount, it is my opinion that we must reserve the amount budgeted for salary and allowances, in the respective amounts of \$208,833.00 and \$126,346.00, leaving a net maximum of \$198,100.00. We may find, as we proceed further into the fiscal year, that other funds may be located as the need exists whereby we may amply cover the amount of the 10 (b) indicated.

Project Controller

CONCURRENCE

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FINANCIAL STATUS TEST SITE AND OTHER WEST COAST FACILITY

Exhibit A

Item Description	1	2	3	4
	Camp Maintenance	Camp Operations	Other	Total
1 A Salaries (Gov't emp)	\$	\$	\$208,833.00	\$ 208,833.00
B Travel & Allowances			126,346.00	126,346.00
3 A Film Test & Training			24,000.00	24,000.00
5 A Warehouse space, etc.			18,750.00	18,750.00
6 A Electricity Water & Sewage		105,000.00		105,000.00
B Shuttle & Training Aircraft			135,000.00	135,000.00
C Maintenance (Camp equipment)	192,000.00			192,000.00
D Housing & Housing (Cost & Subsidy)		395,280.00		395,280.00
E Heavy equipment (USAF to furnish)				-0-
F Station Wagon & Auto (Procurement)			5,700.00	5,700.00
G Warehouse Rental & Housekeeping			7,000.00	7,000.00
H Special Clothing (Guards etc)		3,000.00		3,000.00
I Study and/or Recreational facility		1,000.00		1,000.00
J Communication Lines (LA to site)		47,460.00		47,460.00
K Fire Protective Equipment (USAF)				-0-
7 A Car Rental (Security)			300.00	300.00
B Office Space			2,350.00	2,350.00
C Apartment & Housekeeper			5,000.00	5,000.00
<b>Total Budget Test Site &amp; Other FY-56</b>	<b>192,000.00</b>	<b>544,740.00</b>	<b>533,279.00</b>	<b>1,269,019.00</b>

OBLIGATIONS EFFECTED 1956 FY CONSTRUCTION OF & R

Total Available Camp Maintenance and Operations Column (1 & 2 above) Budgeted FY-56		\$ 746,740.00
Obligated (Camp construction, operation & Maintenance Committed:	\$740,000.00)	
Construction	\$282,000.00	
Operation & Maintenance	408,000.00	620,000.00
Obligations (Local Procurement on behalf of site)		\$ 56,740.00
Total (Budgeted amount) available (test site) balance FY-56		28,832.50
		<u>18,518.50</u>

BUDGETED AMOUNT ALL OTHER WEST COAST ACTIVITIES (COLUMN #3)

Total Available (3 above)		\$ 533,279.00
Reduce by items 1A salaries	\$208,833.00	
(\$88,000.00 obl. through 31 Dec)		
1B Travel etc.	126,346.00	
Budgeted amount available for all other West Coast activities		<u>335,172.00</u>
Total columns 1 & 2 (line 1 above)		196,100.00
Justifying 10b for round figure of \$1,000,000.00		746,740.00
		<u>942,840.00</u>
<b>Note: \$257,000.00 not budgeted</b>		

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